



## **Economic Impact Analysis Virginia Department of Planning and Budget**

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**12 VAC 5-481 – Virginia Radiation Protection Regulations**  
**Department of Health**  
April 30, 2009

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### **Summary of the Proposed Amendments to Regulation**

On March 31, 2009 the Virginia Department of Health (VDH) entered into an agreement with the U.S. Nuclear Regulatory Commission (NRC) for assuming regulatory authority of NRC's licensees located in Virginia. VDH is required to implement federal regulations and orders applicable to radioactive material licensees. Pursuant to NRC rules, VDH proposes to require in these regulations that licensees call NRC: 1) when instances of theft, sabotage, or diversion of radioactive material or of the devices occur or are attempted, 2) when through the course of the investigation, it is determined the shipment has become lost, stolen, or missing, and 3) when the results from an FBI identification and criminal history records check indicate that an individual is identified on the FBI's Terrorist Screening Data Base. These regulations require radioactive material licensees that have certain quantities of radioactive materials of concern to have individuals who have unrestricted access to these materials fingerprinted and their names compared with those on the national terrorist screening database.

### **Result of Analysis**

The benefits likely exceed the costs for all proposed changes.

### **Estimated Economic Impact**

On November 10, 2008 the NRC submitted a comment to VDH stating that "Virginia needs to add that the licensee must also call the NRC Headquarters Operations Center at 301-816-5100 to 12VAC5-481-451 (B)(2)(d), (B)(2)(a) 5 and (C)(6)." Section 451 (B)(2)(d) states that "After initiating appropriate response to any actual or attempted theft, sabotage, or diversion of radioactive material or of the devices, the licensee shall, as promptly as possible, notify the

agency at (804) 864-8150 during normal business hours and (804) 674-2400 after hours.”

Section 451 (B)(3)(a) 5 states that “When, through the course of the investigation, it is determined the shipment has become lost, stolen, or missing, the licensee shall immediately notify the agency at (804) 864-8150 during normal working hours and (804) 674-2400 after hours. If after 24 hours of investigating, the location of the material still cannot be determined, the radioactive material shall be determined missing and the licensee shall immediately notify the agency at (804) 864-8150 during normal working hours and (804) 674-2400 after hours.”

Section 451 (C)(6) states that “The licensee shall notify the agency at (804) 864-6168 within 24 hours if the results from an FBI identification and criminal history records check indicate that an individual is identified on the FBI's Terrorist Screening Data Base.”

According to VDH, calling and speaking to the NRC about incidences would most likely only involve one to five minutes of time. Also, there have been zero instances that would have necessitated such calling since the program started in 2007. Thus, the costs of the proposed new requirements are quite small. Given that the value for national security of NRC promptly becoming informed of such incidences is non-negligible, the benefits of the proposed changes exceed the costs.

## **Businesses and Entities Affected**

The proposed amendments affect the 25 radioactive material licensees in the Commonwealth. About 12 qualify as small businesses.<sup>1</sup>

## **Localities Particularly Affected**

The locations of licensees are not public information.

## **Projected Impact on Employment**

The proposed amendments do not significantly affect employment.

## **Effects on the Use and Value of Private Property**

The proposed amendments do not significantly affect the use and value of private property.

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<sup>1</sup> Data source: Virginia Department of Health

## **Small Businesses: Costs and Other Effects**

The proposed amendments do not significantly affect costs for small businesses.

## **Small Businesses: Alternative Method that Minimizes Adverse Impact**

The proposed amendments do not significantly affect costs for small businesses.

## **Real Estate Development Costs**

The proposed amendments are unlikely to significantly affect real estate development costs.

## **Legal Mandate**

The Department of Planning and Budget (DPB) has analyzed the economic impact of this proposed regulation in accordance with Section 2.2-4007.04 of the Administrative Process Act and Executive Order Number 36 (06). Section 2.2-4007.04 requires that such economic impact analyses include, but need not be limited to, the projected number of businesses or other entities to whom the regulation would apply, the identity of any localities and types of businesses or other entities particularly affected, the projected number of persons and employment positions to be affected, the projected costs to affected businesses or entities to implement or comply with the regulation, and the impact on the use and value of private property. Further, if the proposed regulation has adverse effect on small businesses, Section 2.2-4007.04 requires that such economic impact analyses include (i) an identification and estimate of the number of small businesses subject to the regulation; (ii) the projected reporting, recordkeeping, and other administrative costs required for small businesses to comply with the regulation, including the type of professional skills necessary for preparing required reports and other documents; (iii) a statement of the probable effect of the regulation on affected small businesses; and (iv) a description of any less intrusive or less costly alternative methods of achieving the purpose of the regulation. The analysis presented above represents DPB's best estimate of these economic impacts.